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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK
CHAIRMAN
JIM IRVIN
COMMISSIONER
WILLIAM A. MUNDELL
COMMISSIONER

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
LOCAL GATEWAY EXCHANGE, INC. TO
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE COMPETITIVE
FACILITIES-BASED AND RESOLD LOCAL
EXCHANGE AND INTEREXCHANGE
TELECOMMUNICATIONS SERVICES IN
ARIZONA

DOCKET NO. T-03883A-00-0366

PROCEDURAL ORDER**BY THE COMMISSION:**

On May 30, 2000, Local Gateway Exchange, Inc. ("Applicant" or "LGEI") submitted to Docket Control of the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive facilities-based and resold local exchange and interexchange telecommunications services in Arizona.

On July 5, 2000, LGEI filed Affidavits of Publication indicating compliance with the Commission's notice requirements.

On August 18, 2000, the Commission's Utilities Division Staff ("Staff") filed a Staff Report. Accordingly, the matter should be set for hearing.

On August 28, 2000, a Procedural Order was issued setting the matter for hearing on October 26, 2000.

On August 29, 2000, the Court of Appeals, Division One, ("Court") issued its Opinion in Cause No. 1 CA-CV 98-0672 ("Opinion"). The Court determined that Article XV, Section 14 of the Arizona Constitution requires the Commission to "determine fair value rate base ("FVRB") for all public service corporations in Arizona prior to setting their rates and charges." Although that Opinion will more than likely be appealed to the Arizona Supreme Court, we are going to request FVRB information at this time to insure compliance with the Constitution should the ultimate decision of the Supreme Court affirm the Court's interpretation of Section 14. We also are concerned that the cost and complexity of FVRB determinations must not offend the Telecommunications Act

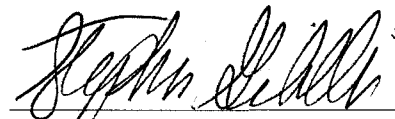
of 1996.

On September 26, 2000, a Procedural Order was issued continuing the matter in response to a request from LGEI. That Procedural Order scheduled a hearing for December 14, 2000.

On December 15, 2000, LGEI filed a request to continue the hearing and to waive all time clock limitations.

IT IS THEREFORE ORDERED that the hearing currently scheduled for December 14, 2000 at 10 a.m., shall be continued to February 14, 2001 at 2 p.m. or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona 85007.

DATED this 18th day of December, 2000.



STEPHEN GIBELLI
ACTING ASSISTANT CHIEF
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered this 18th day of December, 2000 to:

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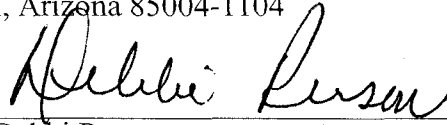
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